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# GUIDE TO THE MEDICAID SPEND-DOWN PROGRAM

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**Illinois Department of Public Aid**

**Gregory L. Coler, Director**

Usted puede conseguir de la oficina de Ayuda Publica una copia del folleto en Español acerca de como obtener una tarjeta medica de elegibilidad.

## THE SPEND-DOWN PROGRAM

This program lets eligible people get a Medicaid green card to help pay for their medical care. To get a Medicaid green card, you need bills or receipts for medical care, drugs or supplies in an amount Public Aid calls your "spend-down". This monthly spend-down amount works like an insurance deductible--that is, the Medicaid program will pay for your medical care when you can show that you owe or have paid medical bills in the amount of your monthly spend-down.

### How Much Is Your Spend-Down?

The amount of your monthly spend-down depends on your income. Public Aid will send you a separate notice telling you the amount of your monthly spend-down and how this amount was figured.

### What Is The Earliest Month Your Medicaid Can Begin?

When you first apply for a Medicaid green card, you can have Public Aid pay for covered medical care you got in any of the three (3) months before you applied, if you met your monthly spend-down for those months. **FOR EXAMPLE:** You apply for Medicaid in September. You can ask Public Aid to pay bills for medical care you got in June, July, and August, if you met your spend-down for those months.

## HOW TO MEET YOUR SPEND-DOWN

You meet your monthly spend-down by showing your Public Aid caseworker unpaid medical bills, or receipts for payment of medical bills, equal to your spend-down amount.

### What Kinds Of Medical Expenses Can Be Used To Meet Spend-Down?

Bills or receipts for medical services or supplies can be used to meet your spend-down. These include bills or receipts for:

- Doctor services
- Hospital services
- Nursing home services
- Clinic services
- Dentist services
- Podiatrist services
- Chiropractor services;
- Medicines, and medical supplies and equipment, that are prescribed by your doctor
- Eye glasses

- Medical or personal care in your home
- Health insurance premiums, including Medicare Part B Premiums
- Transportation to and from medical care; or
- Any co-payments or deductibles on your medical care.

## **Do You Have To Pay Medical Bills To Use Them To Meet Your Spend-Down?**

No. Unpaid medical bills also count.

## **How Old Can Medical Bills Or Receipts Be, If You Want To Use Them To Help Meet Spend-Down?**

There are different rules for unpaid bills and for receipts for payment of bills.

### **Unpaid Bills**

Unpaid medical bills can be used to meet spend-down, no matter how long ago you got the medical care or supplies, so long as you got the bill no more than six months before the month you want Medicaid.

**FOR EXAMPLE:** Maybe you never paid your doctor for care you got in 1984. If he sends another bill now for the 1984 care, you can use this bill toward your monthly spend-down in any of the next six months.

If you got a bill more than 6 months ago, and you want to use the bill for spend-down, ask the doctor, hospital, or other medical provider to give you a new bill.

### **Receipts (Paid Bills)**

A receipt shows that a bill has been paid. A receipt can be used to meet spend-down for six months after you make the payment.

**FOR EXAMPLE:** If you pay for medicine in January and get a receipt for it, you can use the receipt to help meet spend-down for January, or for any month through July.

## **Whose Medical Bills Can You Use?**

You can use medical bills for yourself, and for all people for whom you are legally responsible--your husband, wife, and minor children (under 18) who are living with you.

## **What About Medical Bills Someone Else Has Paid?**

Sometimes an adult son or daughter will pay a med-



ical bill for a parent. Even though the son or daughter has no legal duty to pay. Sometimes even a friend will pay a bill. If someone with no legal duty to pay a medical bill for you pays that bill anyway, you can count that bill toward your spend-down if:

- the payment was made no more than 6 months ago; and
- the person who paid the bill wants to be repaid.

Public Aid will not pay back the person who pays this medical bill for you, but it will count the bill toward your spend-down.

### **Can You Use Bills Or Receipts You Already Used To Meet Your Spend-Down?**

No. You can only use the charges for a medical service or supply once to meet spend-down. If you used an unpaid bill to meet your spend-down in one month, you cannot use a receipt for payment of that bill in a later month.

**FOR EXAMPLE:** You get a \$200 hospital bill on July 3rd. You use the bill to meet your July spend-down of \$200, and you get a Medicaid green card for the rest of July. You pay the \$200 hospital bill in September. You cannot use the \$200 payment to meet your spend-down.

If you used part of a bill for your spend-down in one month, and Public Aid did not pay the rest of that bill, you can use the rest of that bill in another month. If you used part of a receipt in one month, you can use the rest of the receipt in any month, up to six months after you made the payment.

**FOR EXAMPLE:** You see your doctor in July. He bills you \$50. Your spend-down is \$25. If you do not want Public Aid to pay part of the doctor's bill, you can use the \$50 bill to meet your spend-down for 2 months.

### **What If Your Bills Are More Than Your Monthly Spend-Down?**

If the bills you show your caseworker are more than your spend-down, you have to decide what to do. You can ask Public Aid to pay the bills that are over your monthly spend-down amount, or you can use the amount over your monthly spend-down to meet your spend-down in a later month. You must decide if you want the bill paid or you want to use it to meet spend-down in a later month.

## **What If Your Bills And Receipts Are Less Than Your Monthly Spend-Down?**

If the bills and receipts you have are less than your monthly spend-down, you can use them with other bills and receipts you get to meet your spend-down in a later month.

**FOR EXAMPLE:** Your spend-down is \$25.00. In June, you pay your Medicare premium of \$15.50. You have no other bills or receipts to use to meet your June spend-down. You cannot get a Medicaid green card for June. In July, you pay your Medicare premium of \$15.50. You can add your June and July Medicare premiums together to meet your July spend-down. Because premiums add up to \$31 you have met your \$25 July spend-down, and have \$6 to credit toward spend-down in a later month.

## **HOW TO PROVE YOU HAVE MET YOUR SPEND-DOWN**

You have to show your caseworker proof that you have met your spend-down. Your proof can be medical bills, receipts, cancelled checks, money orders, or other statements from your doctor, hospital, clinic, drugstore or others who have given you medical care. Your proof must show (1) the type of medical care, drugs or supplies; (2) who gave the care; (3) who got the care; (4) the date the care was given; (5) the cost; and (6) the date of the bill or receipt.

## **WHAT TO DO WHEN YOU MEET YOUR SPEND-DOWN**

### **What Do You Do With Your Medical Bills?**

When you have bills or receipts equal to your monthly spend-down, take them to your caseworker. If you ask, your caseworker will give you a written listing of the bills or receipts you bring and the date you bring them in.

### **What Month Do You Want Your Medicaid Green Card To Cover?**

When you bring in your medical bills, tell your caseworker which month you want the Medicaid green card to cover. Unless you tell your caseworker to use your medical bills for a different month, your bills will be used to give you a Medicaid green card for the first month in which your bills and receipts add up to your spend-down.

Sometimes you may not want a Medicaid card for

the month your bills add up to your spend-down. Instead, you will want to use those bills to get a Medicaid green card in a later month. This could happen when you do not meet your spend-down until late in a month, and would rather have a Medicaid card for the whole of the next month. Remember, when you bring in your bills, you must tell your caseworker for which month you want a Medicaid card.

### **When Do You Become Eligible For A Medicaid Green Card?**

You become eligible on the day in the month that your medical bills and receipts show that you meet your spend-down. Depending on the amount of bills and receipts you give your caseworker, you may have eligibility for part of a month, one whole month or many months.

**FOR EXAMPLE:** Your spend-down is \$10. You pay \$5 for medicine on July 14 and your doctor bills you \$25 when you see him on July 18. You have met your spend-down on July 18. If you want Medicaid for July, Public Aid will pay for part of your doctor bill, and for medical care you got after you saw the doctor on July 18.

### **When Will Public Aid Decide If You Have Met Your Spend-Down?**

Your caseworker has two (2) working days after you bring in your bills and receipts to decide if you have met your spend-down and to send you a notice of the decision.

### **How Soon Will You Get Your Medicaid Green Card?**

If you have met your spend-down, your caseworker will have a regular Medicaid green card sent to your home in about seven (7) days. This card will be good for the rest of the month in which you have met your spend-down.

### **What If You Need A Medicaid Card Right Away?**

If you need a Medicaid card before your regular card is sent, tell your caseworker when you bring in your bills. If you meet your spend-down, your caseworker can have a temporary Medicaid card ready in two (2) working days. You can pick it up or have it sent to you.

### **What To Remember To Tell Your Caseworker:**

- Which month you want a Medicaid green card;



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- If you need a temporary Medicaid card right away; and
  - If you want Public Aid to pay your unpaid medical bills, or if you want to use the bills to meet spend-down in a later month.

## **PAYMENT OF YOUR MEDICAL BILLS BY PUBLIC AID**

### **Which Bills Will Public Aid Pay For You?**

Public Aid will pay for any medical care covered by the Illinois Medicaid program that you get during the time you have a Medicaid green card or temporary Medicaid card.

Public Aid will not pay for:

- Medical care not covered by the Illinois Medicaid Program;
- Any bills for medical care you got when you were not eligible for Medicaid;
- Any bills for medical care you got in a month you did not meet your spend-down; and
- The medical bills used to meet your spend-down. If you used part of a bill to meet your spend-down, Public Aid will not pay that part.

### **What Do You Have To Do For Public Aid To Pay Your Medical Bills?**

Make sure whoever gives you medical care or supplies accepts payment from Public Aid, and sees your Medicaid green card or your temporary Medicaid card.

## **RE-APPLICATION**

You must reapply every 6 months to stay in the spend-down program. Public Aid will send you a notice before the end of each six month period reminding you that you must reapply to stay in the program. The decision on your application or re-application must be made within 45 days. If you are disabled, Public Aid has 60 days to decide.

## **YOU CAN APPEAL**

If your caseworker does not follow these rules, you can file an appeal at your Public Aid office. You can appeal if Public Aid delays deciding on your application, or if your caseworker delays deciding if your bills meet spend-down.

If you think Public Aid made a mistake, you can appeal its decision (1) denying you a Medicaid card;

(2) deciding what months you may get Medicaid; (3) deciding what bills Public Aid will pay; (4) deciding the amount of your spend-down; or (5) deciding you have not met your spend-down. If you appeal any of these decisions, you must appeal within 60 days after you receive written notice from Public Aid of the decision.

## **How To Appeal**

Your appeal must be in writing, and filed at your local Public Aid office. At the hearing, you may represent yourself or be represented by a lawyer, relative or friend. Your local office will provide you with an appeal form and will help you fill it out if you wish.

## **Where To Get Legal Help**

If you want legal help in this matter, call the following number in your area for referral to the nearest legal services office:

- In Chicago: 663-4190
- In Cook County, outside of Chicago:
  - Northern Suburbs 475-3703
  - Western Suburbs 771-2100
  - Southern Suburbs 339-5550
- Outside of Cook County  
(Toll Free): 1-800-642-5570

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Springfield, Illinois 62762

DPA 591SP (R-10-86)

Printed by the Authority of the State of Illinois  
P.O.#2051, copies 100,300